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C O N F I D E N T I A L SECTION 01 OF 02 TUNIS 000523

SIPDIS

FOR M AND NEA

E.O. 12958: DECL: 07/28/2019

TAGS: PREL ASCH PGOV TS

SUBJECT: AMBASSADOR, S FAREWELL CALL ON PRESIDENT BEN ALI

REF: TUNIS 516

Classified By: Ambassador Robert F. Godec, Reasons 1.4 (b) and (d)

SUMMARY

11. (C) Ambassador paid a brief farewell call on President Zine el Abidine Ben Ali on Tuesday, July 28. Ben Ali's focus was to resolve the issues around the American Cooperative School of Tunis (ACST). He did so by reinstating the May deal on taxes, agreeing to the school's proposed rent for the land and promising a global status agreement. The Ambassador expressed his appreciation to Ben Ali. Throughout the meeting, Ben Ali was articulate, clear and gracious. End Summary.

Meeting with the President

12. (C) The Ambassador paid a farewell call on Tunisian President Zine el Abidine Ben Ali on Tuesday, July 28. Minister of State Abdelaziz Ben Dhia also attended the meeting.

ACST: All issues resolved

- ¶3. (C) Ben Ali began by thanking the Ambassador for all he had done to strengthen US-Tunisian relations. You have, Ben Ali said, done good work and we would welcome you back. He continued that US-Tunisian relations are excellent, and date back more than 200 years. The Ambassador thanked Ben Ali for his support and for all that he has done to strengthen bilateral relations.
- 14. (C) Ben Ali then raised ACST, noting that he had only recently heard about the situation with the school. Ben Ali said that he "wants this situation resolved" before the Ambassador departs. He called it a "small thing", adding he had "reproached" GOT officials for "sending it to Washington." He asked the Ambassador to review what had happened and what the United States wants on ACST.
- 15. (C) The Ambassador briefly reviewed the situation with ACST's taxes, land rent and the status agreement. The Ambassador noted that on the taxes, the United States believed it had an agreement in May but the matter had just gone before a court that issued an adverse ruling. ACST is, the Ambassador said, prepared to pay the 4.2 million dinars as it had originally agreed and to pay taxes going forward. Ben Ali said "agreed", adding the court ruling would have no effect. He turned to Ben Dhia and said "make this happen." Ben Dhia instantly agreed.

- ¶6. (C) On the land, Ben Ali asked how much ACST is paying and how much the GOT was asking. The Ambassador gave him the amounts, and noted the school was prepared to pay 40,000 dinar a year, with a five percent annual escalation. Ben Ali immediately agreed, saying there is no reason to argue over small amounts of money.
- 17. (C) The Ambassador continued that the US Government also seeks a global agreement covering ACST similar to what has been done with the French and Italian governments on their schools. Ben Ali immediately agreed, turning to Ben Dhia to ask him to issue the appropriate instructions. The Ambassador noted the Embassy had sent a draft text of an agreement to the Ministry of Foreign Affairs. Ben Ali agreed that it could be used, along with the Italian and French agreements, to prepare the global agreement.
- $\P 8$. (C) Ben Ali said, "so that's it, we have agreement before you depart." The Ambassador agreed and expressed his deep appreciation.

Other issues

19. (C) The Ambassador raised the letter from President Obama to President Ben Ali on Middle East peace. Ben Ali said he had just replied with a long letter (more than five pages) on many aspects of the issue. He said he would send a copy of the letter to the Embassy. Ben Ali noted he had read President Obama's speeches in Cairo and Accra and found them

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"exceptional."

110. (C) The Ambassador said the new US Administration offered an excellent opportunity to strengthen US-Tunisian relations. He noted the United States and Tunisia could work to increase cooperation in education, science & technology, and other areas. Ben Ali agreed, adding he hoped for further US investment as well. The Ambassador noted that US investment in Tunisia in 2008 was nearly \$100 million. Ben Ali said it was a "good start."

Award

111. (C) Ben Ali said he would like to decorate the Ambassador with the "Order of the Republic." The Ambassador thanked President Ben Ali and said he would be pleased to accept and would seek concurrence from the State Department.

Comment

112. (C) Throughout the meeting, Ben Ali was gracious, animated and engaged. He was articulate and clear. He showed no indications of health problems. On ACST, he clearly wanted a resolution of the problem immediately. He made plain he sees the matter as minor and that US-Tunisian relations are too important to allow it to hinder them. We believe that Ben Ali's son-in-law, Sakher El Materi, exercised influence (reftel) that focused the President on the issue. While we have some details to clean up, we believe the ACST matter is now resolved.